

**OPENING REMARKS FOR BUDGET DIRECTOR, SUSIE PARK, ON THE 2022 BUDGET
RECOMMENDATION TO THE CITY COUNCIL COMMITTEE ON THE BUDGET AND GOVERNMENT
OPERATIONS**

Friday, September 24, 2021

Good morning, Chairman Dowell, Vice Chairman Silverstein, members of the Committee on the Budget and Government Operations, and members of the City Council. Thank you for the opportunity today to present Mayor Lori E. Lightfoot's Budget Recommendations for Fiscal Year 2022.

The proposed 2022 Recovery Budget addresses the City's ongoing fiscal challenges caused by a worldwide pandemic while sustaining and expanding investments in the quality of life in neighborhoods and the safety of our City residents. The 2022 budget includes investments that build a better Chicago by increasing safety and opportunities. Two key principles drive this investment strategy: that investment in families and neighborhoods will increase community safety; and investment in Chicago's economic engine will support an equitable recovery.

In August, we released the 2022 Budget Forecast that projected a Corporate Fund gap of \$733 million. This gap was driven by several factors including, increasing personnel cost, pension obligations, and debt payments. The 2022 Budget Recommendations present a balanced budget that closes the \$733 million gap through \$298.2M in departmental savings and efficiencies and \$491.1M in increased revenues without any new tax increases or cuts to city services.

The 2022 Budget reflects the collective feedback of Chicago's residents, stakeholders, and leaders. I'm proud to say that beginning earlier than ever, OBM conducted the most robust and multi-faceted budget engagement process conducted by the City to date. Over the last few months, we've been listening to a range of stakeholders both internally and externally, hosting various community engagement activities across the city in partnership with UIC, and working with groups of aldermen with the goal of better understanding the needs of our communities as well as ways we can holistically utilize our available resources to rebuild Chicago into a safer, stronger and more prosperous city for our residents.

Through these efforts, more than 400 community-based organizations, faith and equity leaders, labor partners, and neighborhood stakeholders were invited to participate in budget meetings, regional roundtables, and topic-focused calls to provide the City with feedback on where gaps in services exist, ways the City can better communicate with residents, and how to deliver services that are equitable and accessible. Nearly 200 residents also attended one of three Budget Engagement Forums that focused on identifying key priorities and ways the City can be responsive to those priorities, and another 72 participated online.

In July and August, my office, in collaboration with Chairwoman Dowell, hosted two sets of aldermanic working groups over 12 meetings to discuss the 2022 Budget and American Rescue Plan (ARP) priorities. These discussions were informative and extremely valuable in ensuring that the 2022 Budget captured aldermanic input.

Throughout the working groups and community engagement efforts, one goal became very clear: all budget initiatives *must* contribute to **community safety**.

We also heard there is a need to provide even more investments to the City's plan to address violence, and aldermen would like to see additional smaller, neighborhood-based organizations engaged in the community safety strategy.

The working groups also noted mental health, affordable housing, and jobs for our youth are all key priorities that tie back to achieving community safety. We heard that mental health needs to be mobile, responsive, and coupled with initiatives intended to address homelessness. Importantly, all efforts need to be evidence-based with measurable outcomes, identifying new and innovative ways to implement services and programs when possible.

Finally, the working groups also generally agreed that supporting and enhancing essential governmental services by leveraging ARP Local Fiscal Recovery Funds (LFRF) to address revenue lost due to the pandemic was an important priority in the overarching economic recovery of the City.

We believe the budget addresses the feedback we heard from both internal and external partners, residents, businesses, and the members of our City Council. The 2022 Budget leverages all available resources to ensure that we can address the needs that we heard.

The 2022 Budget is the City's Recovery Budget. We believe the combination of direct investment in our communities and the accompanying economic supports will build on our continued efforts to create a diverse, safe, and vibrant Chicago while providing equitable access to opportunities for youth, families, and businesses to thrive.

I want to thank you for your continued partnership in this budget process, and I look forward to answering any questions you may have regarding the proposed 2022 Budget Recommendations. Thank you.